

SCS SB 613 -- WORKERS' COMPENSATION

SPONSOR: Cunningham

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Employment Security by a vote of 8 to 0. Voted "Do Pass" by the Select Committee on Labor and Industrial Relations by a vote of 7 to 1.

This bill permits volunteer fire protection associations to apply to the State Fire Marshal for grants for the purpose of funding the workers' compensation insurance premiums for the association's volunteer firefighters. Grants shall be disbursed by the Marshal, subject to appropriations, based upon the number of volunteer firefighters which received workers' compensation benefits from claims arising out of and in the course of the prevention or control of fire or the underwater recovery of drowning victims in the preceding calendar year.

WORKERS' COMPENSATION PREMIUM RATES--SPLIT POINT

Currently, the uniform experience rating plan of workers' compensation insurance must prohibit an adjustment to the experience modification of an employer if the total medical cost does not exceed \$1,000, the employer pays all of the medical costs, there is no lost time from the employment (subject to exceptions), and no claim is filed. This bill changes the medical cost amount limit to 20% of the current split point of primary and excess losses under the uniform experience rating plan.

The bill further provides that, for purposes of calculating the premium credit under the Missouri contracting classification premium adjustment program, an employer within the construction group of code classifications may submit to the advisory organization the required payroll record information for the first, second, third, or fourth calendar quarter of the year prior to the workers' compensation policy beginning or renewal date, provided the employer clearly indicates for which quarter the payroll information is being submitted.

This provision is identical to SB 700 (2016), SB 288 (2015), and HB 1997 (2014).

PROPONENTS: Supporters say that it has become increasingly difficult for rural fire departments to maintain workers' compensation policies because they are working with small budgets. Some of them even elect to not carry policies. This program would allow these departments to apply for grants to cover some of the policies, and there is an incentive to keep the number of claims

low. Furthermore, this grant program would encourage compliance because fire departments must show proof of policy to be eligible for a grant.

Testifying for the bill were Senator Cunningham; Greg Carrell, Missouri Fire Marshal; and the Missouri Chamber of Commerce and Industry.

OPPONENTS: There was no opposition voiced to the committee.